

In recent years, China's domestic spending has been growing at a double-digit rate every year. In 2010, our domestic market has surpassed a scale of 2 trillion U.S. dollars. And here in the United States, you are also working all out to stimulate your economy.

President Obama has launched a program to double your exports. Both in the dinner last night and in my meeting with President Obama just now, we discussed how to advance economic cooperation between our two countries across the board.

We agreed to strengthen our cooperation in the financial, economic, trade, energy, the environment, science and technology, agriculture, infrastructure, and many other fields.

So indeed, there is a promising future for trade and investment cooperation between our two countries. I do hope that companies from both countries can seize the opportunities, take active options, and achieve great things.

I also have a message to American entrepreneurs. That is, we welcome you as companies to China. China follows reform and opening up. We will, as always, try to follow—provide a transparent, just, fair, highly efficient investment climate to U.S. companies and other foreign companies.

I also wish to tell you that all companies registered in China are given national treatment.

In terms of innovation products, accreditation, government procurement, IPR protection, the Chinese Government will give them equal treatment.

Here, I also have a message to Chinese entrepreneurs. That is, the Chinese Government will, as it has always done, support you in making investments and doing business here in the United States. I hope that you can continue to be enterprising and creative and, at the same time, don't forget to give back to the local communities.

I do believe that President Obama and the U.S. administration will provide a level playing field for Chinese companies doing—making investments here in the United States.

To conclude, I wish the companies you represent even greater growth in the new year. And I also expect that you can make even greater contribution to promoting trade and investment cooperation between our two countries.

And now I'm ready to listen to your views. Thank you.

NOTE: The President spoke at 12:36 p.m. in Room 430 of the Dwight D. Eisenhower Executive Office Building. President Hu spoke in Chinese, and his remarks were translated by an interpreter.

The President's News Conference With President Hu Jintao of China *January 19, 2011*

President Obama. Everybody, please have a seat. Good afternoon. It is my pleasure to welcome President Hu to the White House and to return the hospitality that he showed when I visited China last year. This is our eighth meeting. Together, we've shown that the United States and China, when we cooperate, can receive substantial benefits.

The positive, constructive, cooperative U.S.-China relationship is good for the United States. We just had a very good meeting with the business leaders from both our countries, and they pointed out that China is one of the top markets for American exports. We're now exporting more than \$100 billion a year in

goods and services to China, which supports more than half a million American jobs. In fact, our exports to China are growing nearly twice as fast as our exports to the rest of the world, making it a key part of my goal of doubling American exports and keeping America competitive in the 21st century.

Cooperation between our countries is also good for China. China's extraordinary economic growth has lifted hundreds of millions of people out of poverty. And this is a tribute to the Chinese people. But it's also thanks to decades of stability in Asia made possible by America's forward presence in the region, by strong trade with America, and by an open

international economic system championed by the United States of America.

Cooperation between our countries is also good for the world. Along with our G-20 partners, we've moved from the brink of catastrophe to the beginning of global economic recovery. With our Security Council partners, we passed and are enforcing the strongest sanctions to date against Iran over its nuclear program. We've worked together to reduce tensions on the Korean Peninsula. And most recently, we welcomed China's support for the historic referendum in Southern Sudan.

As we look to the future, what's needed, I believe, is a spirit of cooperation that is also friendly competition. In areas like those that I just mentioned, we will cooperate, forging partnerships and making progress that neither nation can achieve alone. In other areas, we'll compete: a healthy competition that spurs both countries to innovate and become even more competitive. That's the kind of relationship I see for the United States and China in the 21st century, and that's the kind of relationship that we advanced today.

I am very pleased that we've completed dozens of deals that will increase U.S. exports by more than \$45 billion and also increase China's investment in the United States by several billion dollars. From machinery to software, from aviation to agriculture, these deals will support some 235,000 American jobs, and that includes many manufacturing jobs. So this is great news for America's workers.

I did also stress to President Hu that there has to be a level playing field for American companies competing in China, that trade has to be fair. So I welcomed his commitment that American companies will not be discriminated against when they compete for Chinese Government procurement contracts. And I appreciate his willingness to take new steps to combat the theft of intellectual property.

We're renewing our long-running cooperation in science and technology, which sparks advances in agriculture and industry. We're moving ahead with our U.S.-China Clean Energy Research Center and joint ventures in wind power, smart grids, and cleaner coal. I

believe that, as the two largest energy consumers and emitters of greenhouse gases, the United States and China have a responsibility to combat climate change by building on the progress at Copenhagen and Cancun and showing the way to a clean energy future. And President Hu indicated that he agrees with me on this issue.

We discussed China's progress in moving toward a more market-oriented economy and how we can ensure a strong and balanced global economic recovery. We agreed that in China, this means boosting domestic demand; here in the United States, it means spending less and exporting more.

I told President Hu that we welcome China's increasing the flexibility of its currency. But I also had to say that the RMB remains undervalued, that there needs to be further adjustment in the exchange rate, and that this can be a powerful tool for China boosting domestic demand and lessening the inflationary pressures in their economy. So we'll continue to look for the value of China's currency to be increasingly driven by the market, which will help ensure that no nation has an undue economic advantage.

To advance our shared security, we're expanding and deepening dialogue and cooperation between our militaries, which increases trust and reduces misunderstandings.

With regard to regional stability and security in East Asia, I stressed that the United States has a fundamental interest in maintaining freedom of navigation, unimpeded commerce, respect for international law, and the peaceful resolution of differences.

I welcomed the progress that's been made on both sides of the Taiwan Strait in reducing tensions and building economic ties. And we hope this progress continues, because it's in the interest of both sides, the region, and the United States. Indeed, I reaffirmed our commitment to a "one China" policy based on the three U.S.-China communiques and the Taiwan Relations Act.

I told President Hu that we appreciated China's role in reducing tensions on the Korean Peninsula, and we agreed that North Korea

must avoid further provocations. I also said that North Korea's nuclear and ballistic missile program is increasingly a direct threat to the security of the United States and our allies. We agreed that the paramount goal must be complete denuclearization of the peninsula. In that regard, the international community must continue to state clearly that North Korea's uranium enrichment program is in violation of North Korea's commitments and international obligations.

With respect to global security, I'm pleased that we're moving ahead with President Hu's commitment, at last year's nuclear security summit, for China to establish a center of excellence, which will help secure the world's vulnerable nuclear materials.

To prevent the spread of nuclear weapons, we agreed that Iran must uphold its international obligations and that the U.N. Security Council sanctions on Iran must be fully enforced. Along with our P-5-plus-1 partners, we'll continue to offer the Government of Iran the opportunity for dialogue and integration into the international community, but only if it meets its obligations.

I reaffirmed America's fundamental commitment to the universal rights of all people. That includes basic human rights like freedom of speech, of the press, of assembly, of association and demonstration, and of religion, rights that are recognized in the Chinese Constitution. As I've said before, the United States speaks up for these freedoms and the dignity of every human being, not only because it's part of who we are as Americans, but we do so because we believe that by upholding these universal rights, all nations, including China, will ultimately be more prosperous and successful.

So today we've agreed to move ahead with our formal dialogue on human rights. We've agreed to new exchanges to advance the rule of law. And even as we, the United States, recognize that Tibet is part of the People's Republic of China, the United States continues to support further dialogue between the Government of China and the representatives of the Dalai Lama to resolve concerns and differences,

including the preservation of the religious and cultural identity of the Tibetan people.

Finally, we continue to expand partnerships between our people, especially our young people. Today my wife Michelle is highlighting our efforts to increase the number of American students studying in China to 100,000. And I am very pleased that President Hu will be visiting my hometown of Chicago.

Mr. President, you are brave to visit Chicago in the middle of winter. I have warned him that the weather may not be as pleasant as it is here today. But I know that in the students and the businesspeople that you meet, you will see the extraordinary possibilities of partnership between our citizens.

So again, I believe that we've helped to lay the foundation for cooperation between the United States and China for decades to come. And Michelle and I look forward to hosting President Hu for a state dinner tonight to celebrate the deep ties between our people, as well as our shared hopes for the future.

President Hu.

President Hu. Friends from the press, ladies and gentlemen, good afternoon: First of all, I want to express sincere appreciation to President Obama and the Government and people of the United States for the warm welcome accorded to me and my colleagues.

Just now I have had talks with President Obama in a candid, pragmatic, and constructive atmosphere. We had an in-depth exchange of views and reached important agreement on China-U.S. relations and major international and regional issues of shared interest. We reviewed the development of China-U.S. relations in the last 2 years. We positively assessed the progress we made in dialogue, coordination, and cooperation in various areas. The Chinese side appreciates President Obama's commitment to a positive and constructive China policy and to stable and growing China-U.S. relations since he took office.

Both President Obama and I agree that as mankind enters the second decade of the 21st century, the international situation continues to undergo profound and complex changes and there is a growing number of global challenges.

China and the United States share expanding common interests and shoulder increasing common responsibilities.

China-U.S. cooperation has great significance for our two countries and the world. The two sides should firmly adhere to the right direction of our relationship: respect each other's sovereignty, territorial integrity, and development interests; promote the long-term sound and steady growth of China-U.S. relations; and make even greater contributions to maintaining and promoting world peace and development.

We both agree to further push forward the positive, cooperative, and comprehensive China-U.S. relationship and commit to work together to build a China-U.S. cooperative partnership based on mutual respect and mutual benefit, so as to better benefit people in our own countries and the world over.

We both agree to strengthen exchanges and cooperation in economy and trade, energy and the environment, science and technology, infrastructure construction, culture and education, counterterrorism, nonproliferation, law enforcement, and other areas so as to achieve mutual benefit.

During my current visit to the United States, the relevant departments, institutions, and enterprises of the two countries have signed a number of cooperation agreements and reached agreement on a series of new cooperation projects. These will inject fresh momentum into our bilateral cooperation and create a great many job opportunities for both countries.

We discussed some disagreements in the economic and trade area, and we will continue to appropriately resolve these according to the principle of mutual respect and consultation on an equal footing.

The President and I agree that China and the United States need to establish a pattern of high-level exchanges featuring in-depth communication and candid dialogue. President Obama and I will stay in close contact through meetings, telephone calls, and letters. The two sides believe that the expansion of exchanges and cooperation between our militaries con-

tribute to deepening mutual trust between our two countries and to the growth of our overall relationship.

We also agree to encourage all sectors of our society to carry out various forms of exchange activities. In particular, we have high hopes on the young people, hoping that they will better understand each other's country and be more deeply involved in the people-to-people exchanges between our two countries.

President Obama and I exchanged views on the international economic situation. We believe the world economy is slowly recovering from the international financial crisis, but there are still a fair amount of unstable factors and uncertainties. Both sides agree to strengthen microeconomic policy coordination and actively pursue opportunities for greater cooperation in this process.

The two sides support the G-20 playing a bigger role in international economic and financial affairs. We agree to push forward reform of the international financial system and improve global economic governance. We champion free trade and oppose protectionism, and we hope the Doha round of negotiations can make early and substantive progress.

President Obama and I exchanged views on major international and regional issues, including the situation on the Korean Peninsula, the Iranian nuclear issue, climate change, and others. We agree to strengthen consultation and coordination on major issues that concern peace and development in the Asia-Pacific region and in the world.

China and the United States will enhance coordination and cooperation and work with the relevant parties to maintain peace and stability on the peninsula, promote denuclearization of the peninsula, and achieve lasting peace and security in Northeast Asia.

We will work with the United States and other countries to effectively address global challenges, such as meeting the climate challenge, terrorism, transnational crime, energy and resource security, food security, public health security, and serious natural disasters, so as to forge a bright future for the world.

I stated to the President that China is firmly committed to the path of peaceful development and a win-win strategy of opening up. China is a friend and partner of all countries, and China's development is an opportunity for the world.

That's all. Thank you.

White House Press Secretary Robert L. Gibbs. Ben Feller with the Associated Press.

U.S. Ambassador to China Jon H. Huntsman, Jr./Human Rights in China/China-U.S. Relations

Q. Thank you very much. I'd like to address both leaders, if I may.

President Obama, you've covered the broad scope of this relationship, but I'd like to follow up specifically on your comments about human rights. Can you explain to the American people how the United States can be so allied with a country that is known for treating its people so poorly, for using censorship and force to repress its people? Do you have any confidence that as a result of this visit that will change?

And if I may, on an unrelated topic, I'd like to know what you make of the speculation that the gentleman in front of me, Ambassador Huntsman, might run against you in 2012.

And, President Hu, I'd like to give you a chance to respond to this issue of human rights. How do you justify China's record, and do you think that's any of the business of the American people?

President Obama. Well, first of all, let me just say, I think Ambassador Huntsman has done an outstanding job as Ambassador for the United States to China. He is a Mandarin speaker. He has brought enormous skill, dedication, and talent to the job. And the fact that he comes from a different party, I think, is a strength, not a weakness, because it indicates the degree to which both he and I believe that partisanship ends at the water's edge and that we work together to advocate on behalf of our country.

So I couldn't be happier with the Ambassador's service. And I'm sure he will be very successful in whatever endeavors he chooses in the future. *[Laughter]* And I'm sure that him

having worked so well with me will be a great asset in any Republican primary. *[Laughter]*

Let me address the other issue, and a very serious issue. China has a different political system than we do. China's at a different stage of development than we are. We come from very different cultures and—with very different histories. But as I've said before, and I repeated to President Hu, we have some core views as Americans about the universality of certain rights—freedom of speech, freedom of religion, freedom of assembly—that we think are very important and that transcend cultures.

I have been very candid with President Hu about these issues. Occasionally, they are a source of tension between our two governments. But what I believe is the same thing that I think seven previous Presidents have believed, which is, is that we can engage and discuss these issues in a frank and candid way, focus on those areas where we agree, while acknowledging there are going to be areas where we disagree.

And I want to suggest that there has been an evolution in China over the last 30 years since the first normalization of relations between the United States and China. And my expectation is that 30 years from now, we will have seen further evolution and further change.

And so what my approach will continue to be is to celebrate the incredible accomplishments of the Chinese people, their extraordinary civilization; the multiple areas in which we have to cooperate, not only for the sakes of our countries, but also for the sakes of the world; to acknowledge that we're going to have certain differences and to be honest, as I think any partner needs to be honest, when it comes to how we view many of these issues. And so that frank and candid assessment on our part will continue. But that doesn't prevent us from cooperating in these other critical areas.

[At this point, there was a pause as the interpreter began to translate President Obama's answer into Chinese.]

Interpreter. The translator is now translating the question back into Chinese.

[The interpreter continued to translate the question.]

President Obama. I apologize. I thought we had simultaneous translation there. So I would have broken up the answer into smaller bites.

[A spokesperson for President Hu called on a reporter in Chinese, and no translation was provided. The reporter then began to ask a question in Chinese, again with no translation.]

President Obama. I'm sorry, I'm getting it in Chinese.

[The interpreter translated the question.]

China's Economic Development and Growth

Q. I'm from China Central Television—[inaudible]—you know that there is an old saying in China that a good relationship between the two peoples holds the key to a sound relationship between states. We know that to further strengthen the public support for the development of this relationship is also very important to the sustained, sound, and steady growth of our relations. So, President Hu Jintao, I would like to ask you the question that, what do you think that the two countries need to do to further increase the friendship and mutual understanding between the Chinese and American peoples?

At the same time, we have also noted that the U.S. side has been saying that the United States is willing to see a stronger and more prosperous China. So I would like to ask President Obama that, deep in your hearts, do you really think that you can live comfortably with a constantly growing China? And also this question that, what do you think that China's development really mean to the United States?

President Hu. I would like to take this—[inaudible]—question from the lady journalist. I think that to—the exchanges between our two peoples represent the basis and the driving force behind the growth of our relationship. Ever since the establishment of diplomatic relations between our two countries, we have

seen more robust exchanges between our two peoples. And such exchanges have also helped promote the steady growth of our relationship.

The statistics I have show that each year we have about 3 million people traveling between our two countries. In other words, on every single day, about seven to eight thousand people will be traveling between China and the United States. This is something hardly conceivable 32 years ago, when we first established the diplomatic ties.

In addition, we have also seen very broad-ranging development of the exchanges at sub-national level. So far, our two countries have already established sister relationships between 36 Provinces and States, and we have also developed 161 pairs of sister cities between our two countries. The Chinese Government is supportive of the friendly exchanges between our two peoples, and we have been creating all kinds of conditions to expand the friendly exchanges between the American and the Chinese peoples.

During this visit, President Obama and I reached an agreement that both sides will take positive steps to further increase the people-to-people exchanges. On the one hand, we will encourage the young people in our two countries to go to each other's countries to pursue further education and to learn more about each other. And at the same time, we have also decided to put in place a dialogue and exchange mechanisms between different Chinese and American Provinces and States. Besides, we are also going to further expand cultural exchanges and develop tourism. We're going to use a variety of means to further increase people-to-people exchanges.

I would like to particularly stress here that the young people holds the future of this relationship. It is extremely important to increase the exchanges between the young people in our two countries. Through such exchanges, I hope that our friendship can be furthered. And I also hope that they, in the future, can serve as ambassadors of good will for our two countries and they can make even more positive contribution to the development of a cooperative

partnership based on mutual respect and mutual benefit.

President Obama. Let me respond briefly to your question. I absolutely believe that China's peaceful rise is good for the world and it's good for America. First of all, it's good for humanitarian reasons. The United States has an interest in seeing hundreds of millions of people lifted out of poverty. We believe part of justice and part of human rights is people being able to make a living and having enough to eat and having shelter and having electricity.

And the development of China has brought unprecedented economic growth to more people more quickly than just about any time in history. And that's a positive good for the world, and it's something that the United States very much appreciates and respects.

We also think that China's rise offers enormous economic opportunity. We want to sell you all kinds of stuff. [Laughter] We want to sell you planes. We want to sell you cars. We want to sell you software. And as President Hu and his Government refocuses the economy on expanding domestic demand, that offers opportunities for U.S. businesses, which ultimately translates into U.S. jobs.

It also means that as China's standards of living rise, they have more purchasing power. I mean, something that I think we have to remind ourselves is that the United States economy is still three times larger than China's, despite having one-quarter of the population. So per-capita income is still very different between the two countries. And as China's per-capita income rises, that offers an opportunity for increased trade and commercial ties that benefit both countries.

And finally, China's rise is potentially good for the world. To the extent that China is functioning as a responsible actor on the world stage, to the extent that we have a partner in ensuring that weapons of mass destruction don't fall into the hands of terrorists or rogue states, to the extent that we have a partner in dealing with regional hotspots, to the extent that we have a partner in addressing issues like climate change or pandemic, to the extent that we have a partner who is helping poorer coun-

tries in Asia or in Africa further develop so that they too can be part of the world economy, that is something that can help create stability and order and prosperity around the world. And that's the kind of partnership that we'd like to see. And it's more likely to come if China feels secure and itself is doing well economically, they're more likely to be an effective partner with us on the world stage.

White House Press Secretary Gibbs. Hans Nichols from Bloomberg.

Human Rights in China

Q. Thank you, Mr. President, President Hu. President Obama, with your respect and permission, because of the translation questions, could I direct one first to President Hu?

President Obama. Of course.

Q. Thank you.

President Hu, first off, my colleague asked you a question about human rights, which you did not answer. I was wondering if we could get an answer to that question.

And then also, on Capitol Hill, Senate Majority Leader Harry Reid, House Speaker John Boehner are not attending tonight's state dinner. Many on Capitol Hill see China as an economic threat. What can you do to allay their fears?

President Hu. First, I would like to clarify, because of the technical translation and interpretation problem, I did not hear the question about the human rights. What I know was that he was asking a question directed at President Obama. As you raise this question, and I heard the question properly, certainly I'm in a position to answer that question.

President Obama and I already met eight times. Each time we met, we had an in-depth exchange of views in a candid manner on issues of shared interest and on issues toward each other's concerns. And on the issues we have covered, we also discussed human rights.

China is always committed to the protection and promotion of human rights. And in the course of human rights, China has also made enormous progress, recognized widely in the world.

China recognizes and also respects the universality of human rights. And at the same time, we do believe that we also need to take into account the different and national circumstances when it comes to the universal value of human rights.

China is a developing country with a huge population, and also a developing country in a crucial stage of reform. In this context, China still faces many challenges in economic and social development. And a lot still needs to be done in China in terms of human rights.

We will continue our efforts to improve the lives of the Chinese people, and we will continue our efforts to promote democracy and the rule of law in our country. At the same time, we are also willing to continue to have exchanges and dialogue with other countries in terms of human rights and we are also going to—we are also willing to learn from each other in terms of the good practices.

As President Obama rightly put it just now, though there are disagreements between China and the United States on the issue of human rights, China is willing to engage in dialogue and exchanges with the United States on the basis of mutual respect and the principle of noninterference in each other's internal affairs. In this way, we'll be able to further increase our mutual understanding, reduce our disagreements, and expand our common ground.

As for the latter question about the attendance at the state dinner by some Congress people, as to who will attend and who will not attend and for what reasons, I think President Obama is certainly in a better position to answer that question.

President Obama. Is that the question you want to pose to me, Hans? [Laughter]

Q. [Inaudible]

President Obama. You get one.

Trade/U.S. Economic Competitiveness/Chinese Monetary Policy

Q. I have a question then about exports and jobs.

President Obama. Okay.

Q. You've just spoken about some of the deals that you've sealed here, about the impor-

ance of exports—your own goal of doubling exports to your job strategy. At the same time, you said there needs to be further adjustment in the exchange rate and the RMB is undervalued. To what extent does China's depressing of its currency affect your ability to grow jobs in this country and lower the unemployment rate?

President Obama. Well, I think that it is important for us to look at the entire economic relationship, and the currency issue is one part of it.

The first time I met President Hu was in April of 2009. And this was the first G-20 summit that I attended, when we were in the midst of the worst financial crisis that we had experienced since the 1930s. And even as we were trying to stabilize the financial system, what was absolutely clear was that we couldn't go back to a system in which the United States was borrowing massively, consuming massively, but not producing and selling to the rest of the world, creating these huge imbalances that helped contribute to the crisis. And that's why we pushed and why the G-20 adopted a framework that called for rebalancing the world economy.

Now, that gives us some responsibilities. We've got to save more in this country. We've got to cut back on these huge levels of debt both in the private sector, but also in the public sector. It also means that there are structural reforms that we have to undergo to make ourselves more competitive in the world economy. So making sure that we have the best education system in the world, that we're producing more engineers than lawyers; making sure that we have a handle on our fiscal problems; making sure that we've got a world-class infrastructure: Those are all important parts of us being competitive and being able to export.

It does also mean, though, that we have a level playing field when it comes to our trading partners. And so with respect to China, what President Hu and myself and our delegations have discussed is how do we make sure that, in fact, our trading relationship is fair and a win-win situation as opposed to a win-lose situation.

Some of that has to do with issues completely unrelated to currency. For example, we're making progress on making sure that the Government procurement process in China is open and fair to American businesses. And we've made progress as a consequence of this state visit.

Some of it has to do with intellectual property protection. So we were just in a meeting with business leaders, and Steve Ballmer of Microsoft pointed out that their estimate is that only 1 customer in every 10 of their products is actually paying for it in China. And so can we get better enforcement, since that is an area where America excels—intellectual property and high-value-added products and services.

And the Chinese Government has, to its credit, taken steps to better enforce intellectual property. We've got further agreement as a consequence of this state visit. And I think President Hu would acknowledge that more needs to be done.

But the currency issue is a part of the problem. The RMB is undervalued. The Chinese Government has intervened very forcefully in the currency markets. They've spent \$200 billion just recently, and that's an indication of the degree to which it's still undervalued.

President Hu has indicated he's committed to moving towards a market-based system. And there has been movement, but it's not as fast as we want. And what I've said to President Hu—and I firmly believe this—is not only will U.S. businesses be able to export more to China if we have a market-based currency, but it will also be good for China and President Hu's agenda of expanding domestic demand. Because if the RMB is worth more, that means they can buy more products and services, and that will contribute to China having greater purchasing power and a higher standard of living.

So this is something that can be a win-win. President Hu's concerned understandably about how rapid this transition takes and the disruptions that may occur in its export sector. But I'm confident that it's the right thing to do, and my hope and expectation is, is that Presi-

dent Hu's resolve will lead to a fully market-based currency program that will allow more effective trade between our two countries.

Spokesman for President Hu. [Inaudible]—from the Xinhua News Agency.

China-U.S. Relations

Q. I'm from Xinhua News Agency. Because of the on-and-off interpretation from the simultaneous booths, so I would like to ask the Chinese consecutive interpreter to interpret my two questions correctly and accurately. *[Laughter]*

My first question for President Obama: Many people do believe that the biggest problem in this relationship is the lack of strategic mutual trust. Do you agree with this view? And how do you think that the two sides should enhance their strategic mutual trust? And how do you think that the two sides should appropriately manage their differences and expand their common interests?

My second question is for President Hu Jintao. We've noted that both the Chinese and American leaders have on various occasions stressed the fact that the influence and significance of the China-U.S. relationship have gone far beyond the bilateral dimension. China and the United States share broad common interests and shoulder important common responsibilities in addressing a variety of regional and the global issues. So my question is that how do you think that the China and the United States can step up their cooperation in a joint endeavor to tackle the increasing number of global issues?

President Obama. Certainly, the more that we can build a baseline of trust—as you called it, “strategic mutual trust”—the more likely we are able to solve the friction or irritants that exist in a relationship between any two countries in a more constructive way, which is why I think it's so important that not only governments, but people in both countries understand the challenges that each country faces and not view every issue through the lens of rivalry.

For example, I know that in China, many believe that somehow the United States is

interested in containing China's rise. As I indicated in the answer that I gave a previous questioner, we welcome China's rise. We just want to make sure that that rise is done—that that rise occurs in a way that reinforces international norms and international rules and enhances security and peace, as opposed to it being a source of conflict either in the region or around the world.

And these security and economic dialogues that we've established are precisely designed to lessen suspicions, to enhance mutual understanding. The more we understand each other's challenges, the more we can take advantage of opportunities.

President Hu. As the journalist who raised that question said that in today's world mankind faces more and more global challenges. And I would like to stress here that no country can remain unscathed in face of so many global challenges. And no country can singlehandedly tackle global challenges.

For example, in the field of fighting terrorism, upholding the security of humanity, or in tackling the international financial crisis, promoting the growth of the world economy in addressing regional hotspots, fighting transnational crimes, fighting piracy, and preventing and treating communicable diseases—in all these areas, countries need to work together to meet the challenge.

China is the biggest developing country, and the United States the biggest developed country. In this context, it is ultimately necessary for China and the United States to strengthen their cooperation to meet such challenges.

How can China and the U.S. do a better job in working together to meet global challenges? I think there are three points I would like to make, and these three points deserve our serious attention and consideration.

Number one, that our two sides have acted in the spirit of cooperation, as if we were in the same boat and we should row in the same direction, when we tackled previous international challenges. And I think we need to keep up the spirit in future, as we tackle challenges.

Number two, we need to increase our communication and coordination. And number three, we need to respect and accommodate each other's interests and concerns. I'm convinced that as long as our two sides continue to act in this spirit and as long as we continue to work together with other countries concerned, we will be able to engage in cooperation in an even broader range of areas to the benefit of world peace and development.

President Obama. All right, everybody. Thank you so much for your patience, due to the technical difficulties.

President Hu, once again, we appreciate your visit. We appreciate the dialogue. And we are looking forward to having dinner with you later this evening.

Thank you, everybody.

NOTE: The President's news conference began at 1:27 p.m. in the East Room at the White House. In his remarks, the President referred to Tenzin Gyatso, the 14th Dalai Lama; and Steve Ballmer, chief executive officer, Microsoft Corp. President Hu, his spokesman, and two reporters spoke in Chinese, and their remarks were translated by an interpreter.

Statement on Senator Joseph I. Lieberman's Decision Not To Seek Reelection *January 19, 2011*

I want to congratulate Senator Joe Lieberman on an extraordinary career in public service. Joe has spent four decades fighting for what he believes in on behalf of the people of Connecticut. From cracking down on polluters and deadbeat dads as Connecticut's attor-

ney general to his years of work defending our Nation's security on the Armed Services and Homeland Security Committees to his relentless efforts in recent months to repeal "don't ask, don't tell," his work has touched countless lives in his home State and across the